

Fringe Benefits – Healthcare

Board of Selectmen

March 4th 2019

Original Employee Fringe Budget

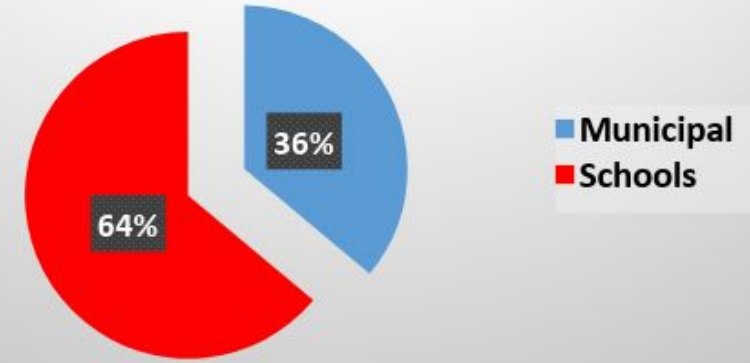
Department: Employee Fringe							
Appropriation Summary							
	2017	2018	2019	2020	2019 vs. 2020		
	Actual	Actual	Budget	Budget	\$ (+/-)	% (+/-)	
Other Personnel Services							
Worker's Compensation	\$ 671,051	\$ 611,342	\$ 630,414	\$ 676,678	\$ 46,264	7.3%	
Unemployment	\$ 94,120	\$ 45,873	\$ 65,000	\$ 65,000	\$ -	0.0%	
Medicare (All)	\$ 1,022,178	\$ 1,109,148	\$ 1,172,252	\$ 1,223,797	\$ 51,545	4.4%	
Drug & Alcohol testing	\$ 9,278	\$ 5,636	\$ 12,500	\$ 12,500	\$ -	0.0%	
Public Safety Medical (111F)	\$ 122,074	\$ 112,656	\$ 147,593	\$ 115,400	\$ (32,193)	-21.8%	
LIUNA/Mass Lab. Pension	\$ 262,096	\$ 287,125	\$ 295,994	\$ 334,443	\$ 38,449	13.0%	
Benefits Reserve	\$ -	\$ 1,805	\$ 50,000	\$ 55,000	\$ 5,000	10.0%	
Long-Term Disability	\$ 20,574	\$ 2,177	\$ 22,000	\$ 22,000	\$ -	0.0%	
Retirement Buy-Out Program	\$ 170,910	\$ 227,207	\$ 165,000	\$ 265,000	\$ 100,000	60.6%	
Total Other Personnel Services	\$ 2,372,281	\$ 2,402,969	\$ 2,560,753	\$ 2,769,819	\$ 209,066	8%	
Merit & Performance Increases*	\$ 26,000	\$ 143,935	\$ 175,000	\$ 300,000	\$ 125,000	71.4%	
Total Performance Plan	\$ 26,000	\$ 143,935	\$ 175,000	\$ 300,000	\$ 125,000	71%	
*FY20 budget is planned for \$150,000; the \$300,000 is placeholder accounting for FY19 departmental adjustments							
Health Benefits							
Health Care Benefits*	\$13,149,662	\$12,641,344	\$13,115,833	\$13,968,362	\$ 852,529	6.5%	
Total Health Benefits	\$13,149,662	\$12,641,344	\$13,115,833	\$13,968,362	\$ 852,529	6.5%	
*Additional health care detail will be provided upon revised rates from WSHG							
Total Employee & Retiree Benefits	\$ 15,547,943	\$ 15,188,248	\$ 15,851,586	\$ 17,038,181	\$ 1,186,595	7.49%	

Plan Distribution & Cost Summary

Total Health Insurance Costs FY20

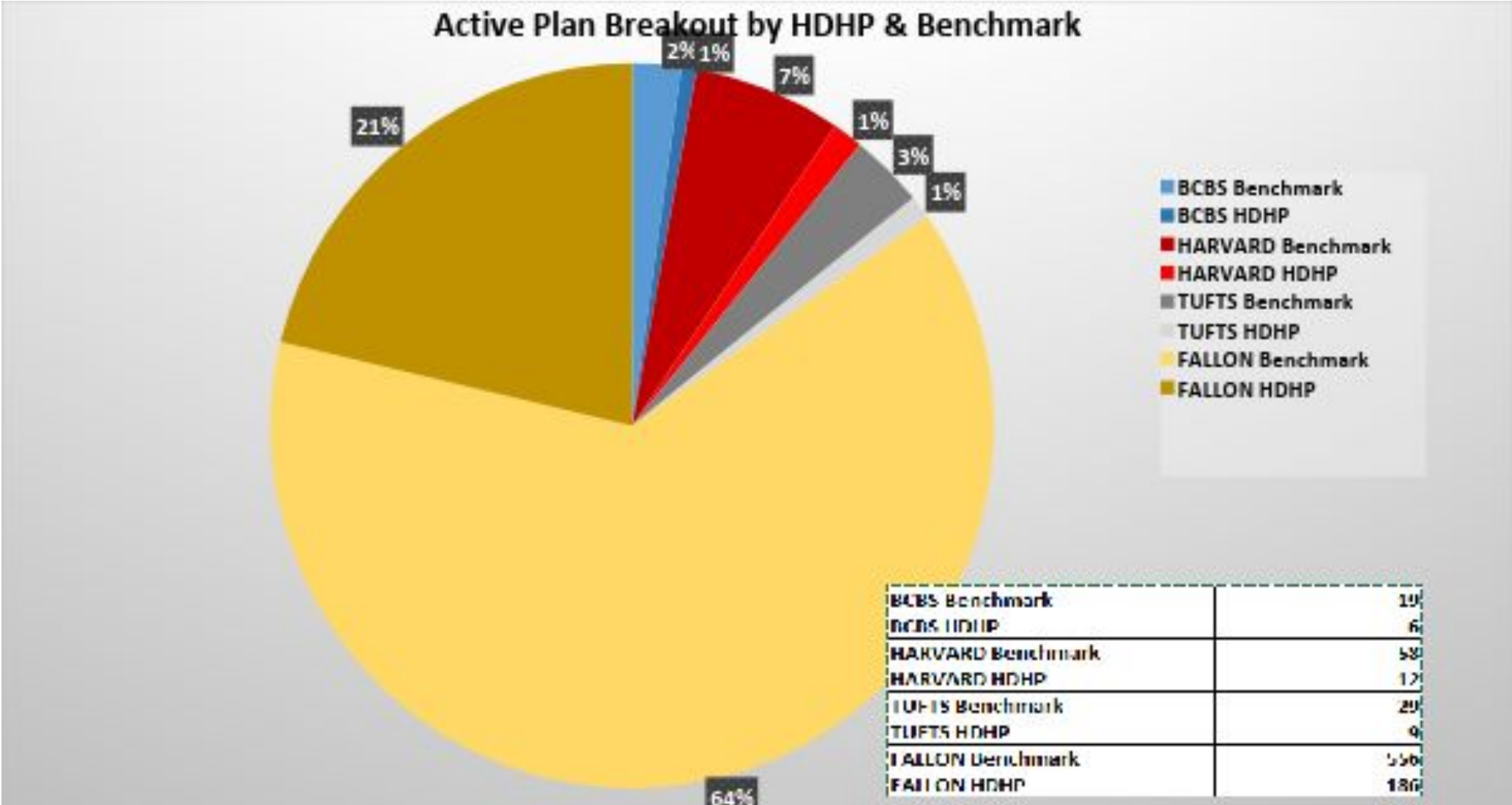
Town		
	Plans	Costs
Town Active Employees	259	\$3,493,118
Town Non-Medicare Eligible Retirees	51	\$608,938
Town Retirees	255	\$747,559
Town New Plans	1	\$18,290
Town Reserve Plans	6	\$98,236
	572	\$4,966,141
School		
	Plans	Costs
Schools Active Employees	511	\$6,479,993
Schools Non-Medicare Eligible Retirees	56	\$544,043
Schools Retirees	425	\$1,247,098
Schools New Plans	16	\$200,612
Schools Reserve Plans	6	\$98,236
	1014	\$8,569,982
TOTAL GF		
	Plans	Costs
Active Employees	770	\$9,973,111
Non-Medicare Eligible Retirees	107	\$1,152,981
Retirees	680	\$1,994,657
New Plans	17	\$218,902
Reserve Plans	12	\$196,472
	1586	\$13,536,123

FY20 Projected Number of Plans

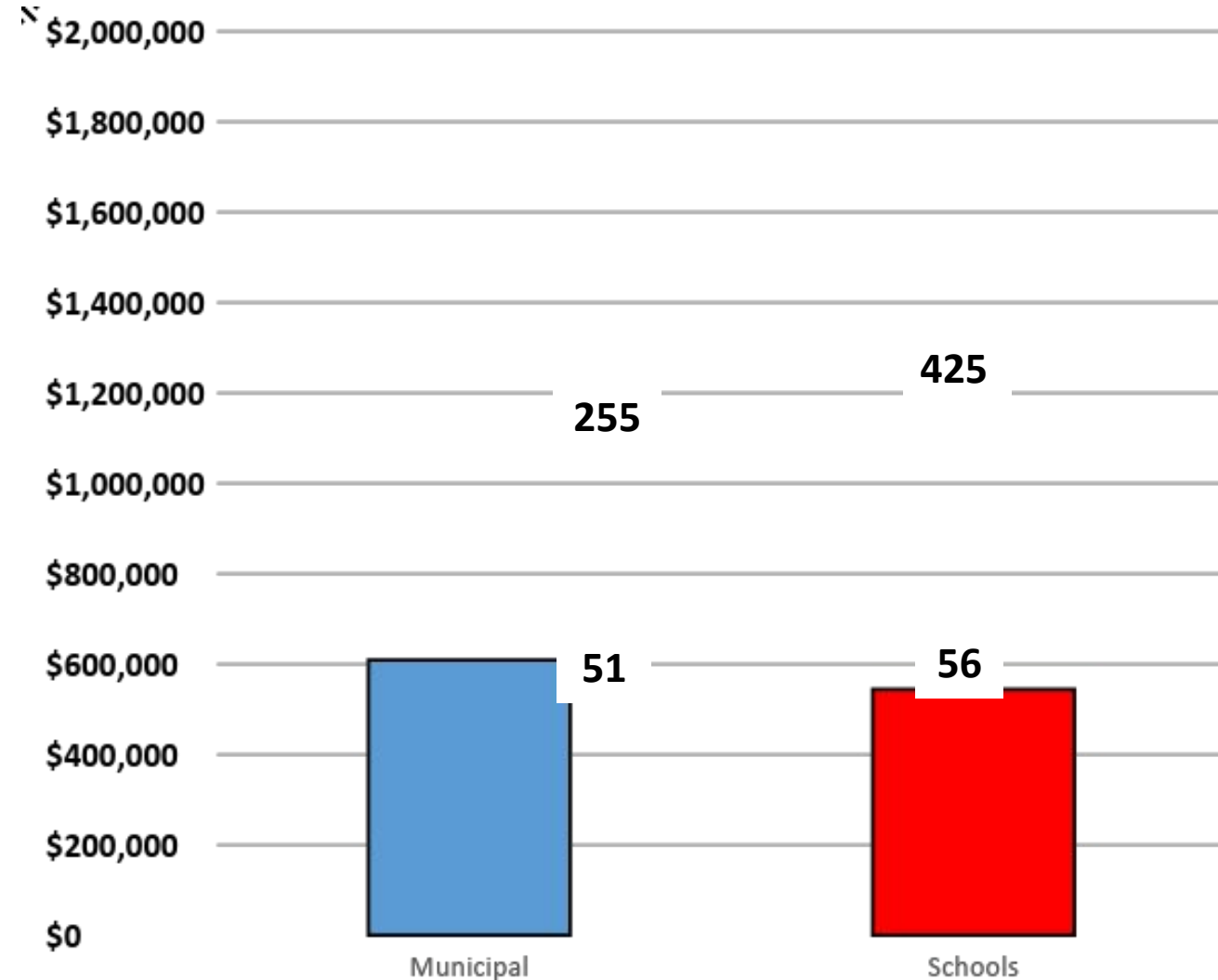


Other Group Health Line Items	\$ Amount
Life Insurance	44,000
Flu Shots	7,500
Occupational Health Nurse	21,000
Cook & Co	6,000
Wellness Programming	25,000
Continuity of Care Mitigation	60,000
Sentinel Benefits Admin Fee	40,200
Sentinel Benefits	10,000
Medicare Penalty	33,780
Retiree Mitigation	40,000

Active Plan Health Insurance Distribution



Non-Medicare Retiree & Senior Plans



Non-Medicare Eligible Retirees

are on “Active” employee plans until they reach 65. Municipal is budgeted for 51 plans, and NPS 56 plans

Senior Plans

are on a Calendar Year cycle and projected to increase by 7%. These are Medicare Supplement plans.

PEC Agreement

- The Benchmark & HDHP plans have been agreed upon with the PEC for a term of 3 years. FY20 will be Year 2 of the agreement.
- For the HDHP plans, the Town will annually contribute \$1,000 to individual plan HSAs and \$2,000 to family plan HSAs.

Healthcare Budget Summary

Healthcare Budget	\$ Amount
Original Healthcare Budget Projection	\$13,968,362
Revised Healthcare Budget (Late February)	\$13,823,603
Net	\$144,759

Revenue Updates

FY20 Budget Revenue Adjustments			
Description	FY20 Prelim. Budget	FY20 Revised Budget	\$ Change
PAYT	\$875,000	\$1,117,500	\$242,500
Parking	\$175,000	\$215,000	\$40,000
Alcohol Licenses	\$100,000	\$150,000	\$50,000
State Aid	\$14,653,383	\$14,966,059	\$312,676
Investment Income	\$500,000	\$1,450,000	\$950,000
Offsets	State Aid & Police Budget Adjustment		(224,118)
Total			\$1,371,058

Questions?